CHAPTER 301

PROFESSIONS AND OCCUPATIONS

SENATE BILL 99-081

BY SENATORS Chlouber, Hillman, and Wattenberg; also REPRESENTATIVES Young, Miller, Stengel, and Taylor.

AN ACT

CONCERNING AMENDMENTS TO THE STATUTES GOVERNING ANIMAL RACING.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 12-60-102 (14) (a), Colorado Revised Statutes, is amended to read:

12-60-102. Definitions - repeal. As used in this article, unless the context otherwise requires:

(14) (a) "In-state simulcast facility" means a CLASS B HORSE track which is operated by a licensee or an additional facility which is operated by and is the responsibility of AT WHICH a licensee who has held within the preceding twelve months or is licensed and scheduled to hold within the following twelve months a race meet of at least fifty race days or at least sixty race days if such twelve-month period includes any portion of the licensee's third or subsequent year of operating the licensee's THE DURATION REQUIRED OF A CLASS B track, A GREYHOUND TRACK AT WHICH A LICENSEE HAS HELD WITHIN THE PRECEDING TWELVE MONTHS OR IS LICENSED AND SCHEDULED TO HOLD WITHIN THE FOLLOWING TWELVE MONTHS A GREYHOUND RACE MEET OF AT LEAST SIXTY RACE DAYS, OR AN ADDITIONAL FACILITY THAT IS OPERATED BY AND IS THE RESPONSIBILITY OF THE LICENSEE OF SUCH A CLASS B HORSE TRACK OR GREYHOUND track, which is located within the state of IN Colorado, and which is used for the handling of wagers placed on simulcast races received by such track or facility. The number of such additional facilities shall not exceed one per operating track. On and after July 1, 1993, through July 1, 1996, no licensee may operate any additional facility unless a horse race meet of at least fifty race days was conducted at a Colorado horse track during the immediately preceding year. Such additional facilities shall not be located within fifty miles of any CLASS B HORSE track OR GREYHOUND TRACK operated by another licensee which has held,

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

within the previous twelve months, or is licensed and scheduled to hold, within the next twelve months, a race meet of no less than fifty race days or no less than sixty race days if such twelve-month period includes any portion of the track's third or subsequent year of operation, without the written consent of such other licensee. The commission shall establish by rule the means of obtaining such consent.

SECTION 2. 12-60-202 (2), Colorado Revised Statutes, is amended to read:

12-60-202. Director - qualifications - powers and duties. (2) The director shall devote his or her entire time and attention to the duties of the office and shall not be engaged in any other profession or occupation. The DIRECTOR SHALL NOT ENGAGE IN ANY OTHER PROFESSION OR OCCUPATION THAT COULD PRESENT A CONFLICT OF INTEREST WITH THE DIRECTOR'S DUTIES AS DIRECTOR OF THE DIVISION.

SECTION 3. 12-60-501 (2) (a), Colorado Revised Statutes, is amended, and the said 12-60-501 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

- 12-60-501. Regulation of race meets and racing-related businesses. (2) (a) In particular, the commission shall, at its own expense, regulate the operations of pari-mutuel machines and equipment, the operations of all money rooms, accounting rooms, and sellers' and cashiers' windows, and the weighing of jockeys and of greyhounds, and shall take or cause to be taken saliva, urine, blood, or other body fluid samples or biopsy or necropsy specimens from horses and greyhounds selected by the commission or its employees on a random basis at race meets provided for under this article or when concerns are raised as to a particular animal, including but not limited to the winner of a race, and shall test and determine such samples or specimens or cause such samples or specimens to be tested and determined. For such purposes, the commission, at its expense and in addition to other employees, shall employ or contract with competent veterinary doctors, accountants, chemists, and other persons necessary to supervise the conduct of race meets and to ascertain that this article and the rules of the commission are strictly complied with. The commission shall also seek innovative and efficient methods of testing animals for prohibited drugs and medication, while ensuring animal safety and maintaining the integrity of racing. Through its bidding process, the commission shall invite laboratories to include proposals for testing procedures and methods that would maintain or improve the effectiveness of test results and minimize testing cost incurred by the state or the racing industry.
- (5) A LICENSED TRACK OR ITS ADDITIONAL FACILITY MAY BE USED FOR NON-RACING EVENTS UPON ADVANCE NOTICE TO THE COMMISSION, SUBJECT TO THE AUTHORITY OF THE COMMISSION AND THE DIVISION TO TAKE ALL MEASURES REASONABLY NECESSARY TO ENSURE THAT SUCH NON-RACING EVENTS DO NOT INTERFERE WITH THE SAFE AND PROPER CONDUCT OF RACING OR THE SUITABILITY OF THE TRACK FOR RACING.

SECTION 4. 12-60-507, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-60-507. Investigation - denial, suspension, and revocation actions against licensees - unlawful acts. (1.5) THE DIRECTOR MAY SUMMARILY SUSPEND THE

LICENSE OF ANY PERSON PENDING A HEARING CONCERNING VIOLATION OF PARAGRAPH (o) OF SUBSECTION (1) OF THIS SECTION.

SECTION 5. 12-60-603 (1) (a), Colorado Revised Statutes, is amended to read:

- **12-60-603. Duration of meets.** (1) (a) It is unlawful to conduct any race meet at which wagering is permitted except under the provisions of this article. It is lawful to conduct pari-mutuel wagering on live horse or greyhound races which THAT are part of a race meet licensed and conducted pursuant to this article. The duration of any horse race meet at a class B track shall be at least fifty race days, or at least sixty live race days if such horse race meet is held during any portion of the track's third or subsequent year of operation AS SPECIFIED IN SECTION 12-60-102 (4); except that the commission may prescribe a lesser number of race days in the event of unforeseen circumstances or acts of God.
- **SECTION 6.** 12-60-702 (1) (b), (1) (g), and (1) (h), Colorado Revised Statutes, are amended, and the said 12-60-702 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:
- **12-60-702.** Unlawful to wager, exception excess taxes special provisions for simulcast races repeal. (1) (b) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS SECTION, it is unlawful for any licensee for the racing of greyhounds or any operator of an in-state simulcast facility that receives simulcast races of greyhounds to take more than nineteen and one-half percent of the gross receipts of any pari-mutuel wagering on such races or simulcast races. Or
- (II) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS SECTION, IT IS UNLAWFUL for a licensee for the racing of horses or an operator of an in-state simulcast facility that receives simulcast races of horses to take more than eighteen and one-half percent of the gross receipts on win, place, and show wagering on such races or simulcast races or more than twenty-five percent of the gross receipts from all other pari-mutuel wagering on such races or simulcast races.
 - (g) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS SECTION:
- (I) It is unlawful for any licensee to compute breaks in the pari-mutuel system in excess of ten cents; AND
- (II) If, during any race meet conducted under this law ARTICLE, there are underpayments of the amount actually due to the wagerers, the amount of the excess of such underpayments over and above overpayments to wagerers, at the expiration of thirty days from the end of said meet, shall revert and belong to the state of Colorado and be paid to the department of revenue through the division and become a part of its funds, and it shall not be retained by the licensee under whose license such race meet was held.
- (h) (I) Fifty percent of the breakage at any horse race meet shall be retained by the licensee under whose license such horse race meet was held and the remainder shall be paid as purses for the races conducted at such race meet.
 - (II) The breakage at any greyhound race meet shall be retained by the licensee

under whose license such greyhound race meet was held.

- (III) EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (IV) OF THIS PARAGRAPH (g) OR IN SUBSECTION (4) OF THIS SECTION, the breakage on any simulcast race of horses or greyhounds received by an in-state simulcast facility shall be retained by the operator of such in-state simulcast facility. except that,
- (IV) In the case of simulcast races of horses received from an in-state host track, fifty percent of the breakage shall be paid to the licensee of such in-state host track within sixty days after the end of the race meet from which such simulcast race was broadcast and the remainder shall be paid as purses for the races conducted at such in-state host track.
- (4) PURSUANT TO A VALID SIMULCASTING AGREEMENT, AN OPERATOR OF AN IN-STATE SIMULCAST FACILITY THAT RECEIVES SIMULCAST SIGNALS OF HORSE OR GREYHOUND RACES HELD IN ANOTHER STATE MAY:
- (a) Take the percentage of the gross receipts of any pari-mutuel wagering on such simulcast races as is allowable under the laws and rules of such other state; and
- (b) ADOPT SUCH PROCEDURES FOR COMPUTATION AND DISTRIBUTION OF BREAKAGE AS ARE ALLOWABLE UNDER THE LAWS AND RULES OF SUCH OTHER STATE.
- **SECTION 7. Repeal.** 12-60-704 (3) (a), Colorado Revised Statutes, is repealed as follows:
- 12-60-704. Horse breeders' and owners' awards and supplemental purse fund creation awards annual reports sunset review. (3) (a) There is hereby created an advisory committee of nine persons to advise the commission relative to the breeders', owners', and stallion awards and supplemental purses. The committee shall be composed of members of the Colorado horse breeder associations, including one breeder of Arabians, the Colorado fair circuit associations, two members of the betting public, and other Colorado licensed horse racetracks. Committee members shall serve without compensation. Appointments shall be made by the commission, and terms of office shall be for three years, with the initial appointments to be made so that three members shall serve for three years, three members shall serve for two years, and three members shall serve for one year. Vacancies, when occurring, shall be filled by the commission for the remainder of the term of any said vacancy.
 - SECTION 8. 12-60-705 (1), Colorado Revised Statutes, is amended to read:
- **12-60-705.** Payments to state disposition. (1) Except as otherwise provided in sections 12-60-701, 12-60-702 (1), and 12-60-704, all sums referred to in sections 12-60-701, 12-60-702 (1), and 12-60-704, including all sums collected for license fees and fines pursuant to the provisions of this article, shall be paid to the department of revenue through the division on the TENTH business day OF THE MONTH IMMEDIATELY following the day of MONTH IN WHICH each performance TOOK PLACE, and the licensee shall make a return as required by rules of the commission.

SECTION 9. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 2, 1999